

Fill in this information to identify the case:

Debtor Name Bed Bath & Beyond Inc., et al.

United States Bankruptcy Court for the: _____ District of New Jersey
(State)

Case number: 23-13359 (Jointly Administered)

Official Form 426

**Periodic Report Regarding Value, Operations, and Profitability of Entities
in Which the Debtor's Estate Holds a Substantial or Controlling Interest**

12/17

This is the *Periodic Report* as of February 25, 2023 on the value, operations, and profitability of those entities in which a Debtor holds, or two or more Debtors collectively hold, a substantial or controlling interest (a "Controlled Non-Debtor Entity"), as required by Bankruptcy Rule 2015.3. For purposes of this form, "Debtor" shall include the estate of such Debtor.

The Debtors hold a substantial or controlling interest in the following entities:

Name of Controlled Non-Debtor Entity	Interest of the Debtor	Tab #
BBB Mexico L.L.C.	100% owned by Bed Bath & Beyond Inc.	
Oak Insurance Company Inc.	100% owned by Bed Bath & Beyond Inc.	
BBB Canada Ltd.	100% owned by Bed Bath & Beyond Inc.	
Bed Bath & Beyond of Norman Inc.	100% owned by bed 'n bath Stores Inc.	

This *Periodic Report* contains separate reports (*Entity Reports*) on the value, operations, and profitability of each Controlled Non-Debtor Entity.

Each *Entity Report* consists of five exhibits.

Exhibit A contains the most recently available: balance sheet, statement of income (*loss*), statement of cash flows, and a statement of changes in shareholders' or partners' equity (*deficit*) for the period covered by the *Entity Report*, along with summarized footnotes.

Exhibit B describes the Controlled Non-Debtor Entity's business operations.

Exhibit C describes claims between the Controlled Non-Debtor Entity and any other Controlled Non-Debtor Entity.

Exhibit D describes how federal, state or local taxes, and any tax attributes, refunds, or other benefits, have been allocated between or among the Controlled Non-Debtor Entity and any Debtor or any other Controlled Non-Debtor Entity and includes a copy of each tax sharing or tax allocation agreement to which the Controlled Non-Debtor Entity is a party with any other Controlled Non-Debtor Entity.

Exhibit E describes any payment, by the Controlled Non-Debtor Entity, of any claims, administrative expenses or professional fees that have been or could be asserted against any Debtor, or the incurrence of any obligation to make such payments, together with the reason for the entity's payment thereof or incurrence of any obligation with respect thereto.

This *Periodic Report* must be signed by a representative of the trustee or debtor in possession.

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The undersigned, having reviewed the *Entity Reports* for each Controlled Non-Debtor Entity, and being familiar with the Debtor's financial affairs, verifies under the penalty of perjury that to the best of his or her knowledge, (i) this *Periodic Report* and the attached *Entity Reports* are complete, accurate, and truthful to the best of his or her knowledge, and (ii) the Debtor did not cause the creation of any entity with actual deliberate intent to evade the requirements of Bankruptcy Rule 2015.3

For non-individual Debtors:

X

/s/ Holly Etlin

Signature of Authorized Individual

Holly Etlin, Chief Restructuring Officer

Printed name of Authorized Individual

Date 05/30/2023

MM / DD / YYYY

For individual Debtors:

X

Signature of Debtor 1

Printed name of Debtor 1

Date

MM / DD / YYYY

X

Signature of Debtor 2

Printed name of Debtor 2

Date

MM / DD / YYYY

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Exhibit A: Financial Statements for Each Controlled Non-Debtor Entity

The financial statements attached in this Exhibit A are unaudited. The financial statements do not conform to the requirements for the presentation of financial statements of the United States' generally accepted accounting principles ("GAAP") and do not include all of the information and disclosures required by GAAP. Additionally, the financial statements are subject to further review and potential adjustment.

Controlled Non-Debtor Entities BBB Mexico L.L.C., BBB Canada Ltd., and Bed Bath & Beyond of Norman Inc. do not produce stand-alone financial statements. Accordingly, no financial statements are included in this Periodic Report for these Controlled Non-Debtor Entities.

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Exhibit A-1: Balance Sheet for Oak Insurance Company Inc. as of February 25, 2023

	<u>Oak Insurance Company</u>
ASSETS	
Cash and Cash Equivalents	9,156,900
Due From Affiliates	(4,621,548)
Other Current Assets	41,847
Current Assets	<u>4,577,199</u>
Non Current Restricted Cash	15,262,433
Long Term Assets	<u>15,262,433</u>
Total Assets	<u>19,839,632</u>
LIABILITIES & SHAREHOLDERS EQUITY	
Accrued Expenses & Other Current Liabilities	10,083,530
Income Tax Payable	(23,207)
Current Liabilities	<u>10,060,323</u>
Other Non Current Liabilities	9,466,135
Non Current Liabilities	<u>9,466,135</u>
Total Liabilities	<u>19,526,458</u>
SHAREHOLDERS' EQUITY	
Retained Earnings Prior	(92,154)
Net Earnings	405,327
RE and Dividends	<u>313,174</u>
Total Equity	<u>313,174</u>
Total Liabilities and Equity	<u>19,839,632</u>

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Exhibit A-1: Balance Sheet for Oak Insurance Company Inc. as of February 26, 2022

	<u>Oak Insurance Company</u>
ASSETS	
Cash and Cash Equivalents	18,007,048
Due From Affiliates	(13,616,109)
Other Current Assets	41,847
	<u>4,432,786</u>
Current Assets	
Non Current Restricted Cash	15,001,518
	<u>15,001,518</u>
Long Term Assets	
	<u>19,434,304</u>
Total Assets	19,434,304
LIABILITIES & SHAREHOLDERS EQUITY	
Accrued Expenses & Other Current Liabilities	10,083,530
Income Tax Payable	(23,207)
	<u>10,060,323</u>
Current Liabilities	
Other Non Current Liabilities	9,466,135
	<u>9,466,135</u>
Non Current Liabilities	
	<u>19,526,458</u>
Total Liabilities	19,526,458
SHAREHOLDERS' EQUITY	
Retained Earnings Prior	(87,303)
Net Earnings	(4,851)
	<u>(92,154)</u>
RE and Dividends	
	<u>(92,154)</u>
Total Equity	
	<u>19,434,304</u>
Total Liabilities and Equity	19,434,304

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Exhibit A-2: Statement of Income (*Loss*) for Oak Insurance Company Inc. for period ending February 25, 2023

	Oak Insurance Company
Net Sales	<u>0</u>
Costs of Goods Sold	<u>0</u>
Gross Profit	<u>0</u>
OPERATING EXPENSES	
Credit Card and Banking Fees	8,678
Total Selling, G&A Expenses	<u>8,678</u>
Operating Income	<u>(8,678)</u>
Interest (Income)/Expense	(414,005)
Total Other Income and Expense	<u>(414,005)</u>
Total Pre Tax Income	<u>405,327</u>
Net Earnings	<u><u>405,327</u></u>

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Exhibit A-2: Statement of Income (Loss) for Oak Insurance Company Inc. for period ending February 26, 2022

	Oak Insurance Company
Net Sales	<u>0</u>
Costs of Goods Sold	<u>0</u>
Gross Profit	<u>0</u>
OPERATING EXPENSES	
Credit Card and Banking Fees	291
Total Selling, G&A Expenses	<u>291</u>
Operating Income	<u>(291)</u>
Interest (Income)/Expense	(386)
Total Other Income and Expense	<u>(386)</u>
Total Pre Tax Income	<u>95</u>
Net Earnings	<u><u>95</u></u>

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Exhibit A-3: Statement of Cash Flows for the Controlled Non-Debtor Entities

Unaudited statements of cash flows are not included as the Controlled Non-Debtor Entities do not prepare unaudited statements of cash flows in the ordinary course of business.

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Exhibit A-4: Statement of Changes in Shareholders'/Partners' Equity (*Deficit*) for the Controlled Non-Debtor Entities

Unaudited statements of changes in shareholders' equity are not included as the Controlled Non-Debtor Entities do not prepare unaudited statements of changes in shareholders' equity in the ordinary course of business.

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Exhibit B: Description of Operations for the Controlled Non-Debtor Entities

BBB Mexico L.L.C. is a wholly owned subsidiary of Bed Bath & Beyond Inc. This entity is a 50% owner in a joint venture, Bed Bath & Beyond Mexico, S. de R.L. de C.V., which is continuing to operate 12 stores in Mexico and an e-commerce business. The Debtors were informed that the independent management of Bed Bath & Beyond Mexico, S. de R.L. de C.V. is currently developing transition plans from reliance on the Debtors for back-office and IT systems support services. For the tax year ended February 26, 2022, Bed Bath & Beyond, Inc. reported its 50% profit-sharing income from the joint venture of \$926,912.00.

Oak Insurance Company Inc. is a wholly owned subsidiary of Bed Bath & Beyond Inc. This entity is a captive insurance provider that administers certain of the Debtors' historical workers' compensation and medical stop loss policies.

BBB Canada Ltd. is a wholly owned subsidiary of Bed Bath & Beyond Inc. This entity is a 99% owner and general partner of Bed Bath & Beyond Canada L.P., a Non-Debtor entity with operations in Canada. On February 10, 2023, BBB Canada Ltd. was granted protection under Canada's Companies' Creditors Arrangement Act "CCAA" pursuant to an initial order (the "Initial Order") of the Ontario Superior Court of Justice (Court File No.: CV-23-00694493-00CL). The Initial Order also extended a stay of proceedings and other benefits, restrictions and protections of the CCAA to Bed Bath & Beyond Canada L.P., a limited partnership formed under the laws of the Province of Ontario. Under protections provided in the CCAA, BBB Canada Ltd. and Bed Bath & Beyond Canada L.P. commenced an orderly wind-down of their entire business, consisting of 65 leased stores, and liquidation of remaining inventory. As of the date of this filing, all 65 stores have been closed; leases for its stores, office, and warehouse are in the process of being, or already have been, either assigned, disclaimed or surrendered. Any proceeds remaining from the orderly wind-down through the CCAA proceedings will continue to be remitted to Bed Bath & Beyond Inc. Legal and financial disclosures are currently available on the website of Canada's Office of the Superintendent of Bankruptcy, Court File No.: CV-23-00694493-00CL.

Bed Bath & Beyond of Norman Inc. is a wholly owned subsidiary of bed 'n bath Stores Inc. This entity is inactive and in the process of dissolution.

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Exhibit C: Description of Intercompany Claims

No intercompany claims exist between the Controlled Non-Debtor Entities.

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Exhibit D: Allocation of Tax Liabilities and Assets

No federal, state, or local taxes, or any tax attributes, refunds, or other benefits, have been allocated between the Controlled Non-Debtor Entities and the Debtors.

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Exhibit E: Description of Controlled Non-Debtor Entity's payments of Administrative Expenses, or Professional Fees otherwise payable by a Debtor

No payments otherwise payable by the Debtors have been paid by any Controlled Non-Debtor Entity.